

Agreement between Canada and Soviet Union

THE AGREEMENT OF PROCEDURE AND PRICES IN RESPECT OF THE SUPPLIES OF CANADIAN WHEAT AND FLOUR TO THE UNION OF SOVIET SOCIALIST REPUBLICS UNDER THE CANADIAN-SOVIET AGREEMENT OF THE 8TH SEPTEMBER 1942

The Governments of Canada, the Union of Soviet Socialist Republics and the United Kingdom of Great Britain and Northern Ireland being desirous of fixing the procedure and specific arrangements to be adopted this 8th September, 1942, have concluded this Supplementary Agreement for the shipment of Wheat and Flour under the main Canadian Soviet Agreement of 8th September, 1942, and have agreed as follows:

1. The Ministry of Food of the United Kingdom (hereinafter called the Ministry of Food) having agreed to act as agents and to perform these functions free of charge, the Governments of Canada and the Union of Soviet Socialist Republics agree that the Ministry of Food shall act as agents for both parties in the performance of the purchasing and loading of Canadian Wheat and Flour under the Canadian-Soviet Agreement of 8th September, 1942.

2. The actual work of the Ministry of Food as agents will inter alia consist of the following:

(a) They will provide for the shipment of Canadian wheat and flour to the Union of Soviet Socialist Republics by any transport facilities placed at the disposal of the Union of Soviet Socialist Republics.

(b) They will make purchases for wheat and flour on an f.o.b. basis North American Ports for the account of the Union of Soviet Socialist Republics.

(c) In case of need and where possible they will supply requisite quantities from the Ministry of Food's own stocks in Canadian and/or United States of America Ports, and these quantities shall be considered as purchases by the Union of Soviet Socialist Republics under the main Canadian-Soviet Agreement.

(d) They shall make the necessary arrangements to provide bags and bag gining facilities for wheat and flour and delivery of these products to f.o.b. steamers and to arrange for all the necessary incidental work in connection with the shipments.

(e) They will check and confirm the correct charges covering the shipments that are tendered by the suppliers. It is agreed that the Union of Soviet Socialist Republics Trade Delegation are entitled to appoint their own representative for the checking of weights and grades of the wheat and flour supplied, but the invoices when checked and initialled by the Ministry of Food, or their agents Messrs. Thomson & Earle will be in order for payment.

3. It is agreed that the purchasing prices for wheat and flour to the Union of Soviet Socialist Republics shall be the same as the prices paid by the Ministry of Food (basis futures bought from the Canadian Wheat Board) at the same appropriate time for Canadian wheat or flour. These prices are fixed as follows:

(a) On the basis of 85 cents (Canadian) for July Winnipeg Futures, and

(b) On the basis of 90 cents (Canadian) for October Winnipeg Futures.

On 3(a) — the purchases of July Futures must be exchanged for actual wheat or flour by June 30th, 1942. On 3(b) — the purchases of October Futures must be exchanged for actual wheat or flour by September 30th, 1942. Should the credit not be exhausted by the 30th September, 1942, arrangements shall be made as to the residue. The Canadian Wheat Board shall replace all futures used by the Ministry of Food in carrying out the purposes of this agreement on the basis of the appropriate contract price.

4. The quality of wheat and flour to be bought by the Union of Soviet Socialist Republics shall be arranged between the Trade Delegation of the Union of Soviet Socialist Republics in London, and the Ministry of Food.

5a. On wheat the Dominion Inspection Certificate is final as to quality. The Bill of Lading weight is final as to quantity. Any dispute will be subject to the usual appeal provisions provided in the Canadian Grain Act and in accordance with the custom of the grain trade.

5b. On flour the Bill of Lading weight is final. The quality is termed "G.R. Canadian Spring Wheat Flour Export Grade" which is the exact and only quality which the Ministry of Food at present purchase.

6. The payment for wheat and flour in each case shall be effected by the Bank of Canada against approved shipping documents and the Dominion Inspection Certificate mentioned in paragraph 5a, within seven days from the date of the Bill of Lading. The invoice accompanying shipping documents will include, as far as possible, all costs up to f.o.b. loading ports, but amendments may be made to cover incidental expenses such as carrying charges etc.

7. Each shipment shall be charged against the Canadian-Soviet Credit as at the date that payment is made by the Bank of Canada.

8. The Trade Delegation of the Union of Soviet Socialist Republics have the right to discontinue the present procedure by giving one month's notice to the Canadian Government through the Canadian Wheat Board and to the Ministry of Food, and in that case the Union of Soviet Socialist Republics shall submit a new procedure for joint discussion with the Canadian Government.

9. Done in triplicate in London on the 8th day of September, 1942 in the English and Russian languages, both texts being legally binding.

For the Government of Canada

VINCENT MASSEY

For the Government of the Union of Soviet Socialist Republics

I. MAISKY

D. BORISENKO

For the Government of the United Kingdom of Great Britain and Northern Ireland

WOOLTON